



# LABELLING MILK AND DAIRY PRODUCTS

Legislation and results of the trial period in Italy

Bruxelles, July 8<sup>th</sup> 2019

# WHO WE ARE



**ISMEA** (Institute of Services for the Agricultural and Food market) is a national public body with its own budget. It works under the supervision of the Ministry of Agricultural, Food, Forestry Policies and Tourism



## The institute provides different kind of services:

- 🌿 Monitoring and analysis of the Agro-food market
- 🌿 Land access
- 🌿 Generational replacement
- 🌿 Credit access
- 🌿 Supply chain financing
- 🌿 Risk management



# AGENDA

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**Regulatory framework**



**Dairy products domestic consumption**



**Public consultation results**



**Survey results**



# REGULATORY FRAMEWORK

# FRAMEWORK



## ITALIAN LEGISLATION - MILK AND DAIRY PRODUCTS

**Ministerial  
Decree  
December 9th  
2016**

Indication of the **origin of milk** or milk used as an ingredient in dairy products on the label

**April 19th 2017**

Entry into force of mandatory labelling

**March 31st 2019**

End of trial period

- It concerns:
  - **all types of milk:** cow, buffalo, sheep, goat, donkey and other animal origin
  - pre-packed **dairy products** for human consumption: milk and cream; yogurt; buttermilk; whey; butter and other fat derived from milk; cheeses, dairy products and curds; long-life sterilized milk, long-life UHT milk
- It does not include:
  - **PDO and PGI products, organic products and fresh milk**
  - milk and dairy products legally manufactured or marketed in another EU Member State or in a third country
- Indication of ingredients origin is compulsory only for domestic producers



# ITALY: LABELLING FOR MILK AND DAIRY PRODUCTS



According to the **MD 9th December 2017**, the indication of the origins must be easy to find and to read on the label.

Label must include:

- "**Milking country**" - the name of the country where the milk was milked;
- "**Country of conditioning**" - the name of the country in which the milk was conditioned or processed.

If the country is the same, it is possible to use the wording "**origin of milk**" indicating the name of the single country.

If the milking and conditioning operations take place in different states the following wordings should be used:

- *EU members*
  - "**milk from EU countries**" - for milking operations;
  - "**conditioned milk or processed milk in EU countries**" - for processing or conditioning operations.
- *Extra-EU states:*
  - "**milk from non-EU countries**" - for milking operations;
  - "**conditioned milk or processed milk in non-EU countries**" - for conditioning or processing operations.



## ASSESSMENT OF THE IMPACT ON THE CONSUMERS DURING THE TRIAL PERIOD

To investigate and evaluate the relevance and the impact on consumption of the introduction of food origin labelling ISMEA carried out:

- 1) a **public consultation** through the site [www.ismea.it](http://www.ismea.it) to detect the importance of the indication of the country of origin of food products and primary ingredients
- 2) a **statistical survey** on the Italian consumers



# DAIRY PRODUCTS DOMESTIC CONSUMPTION

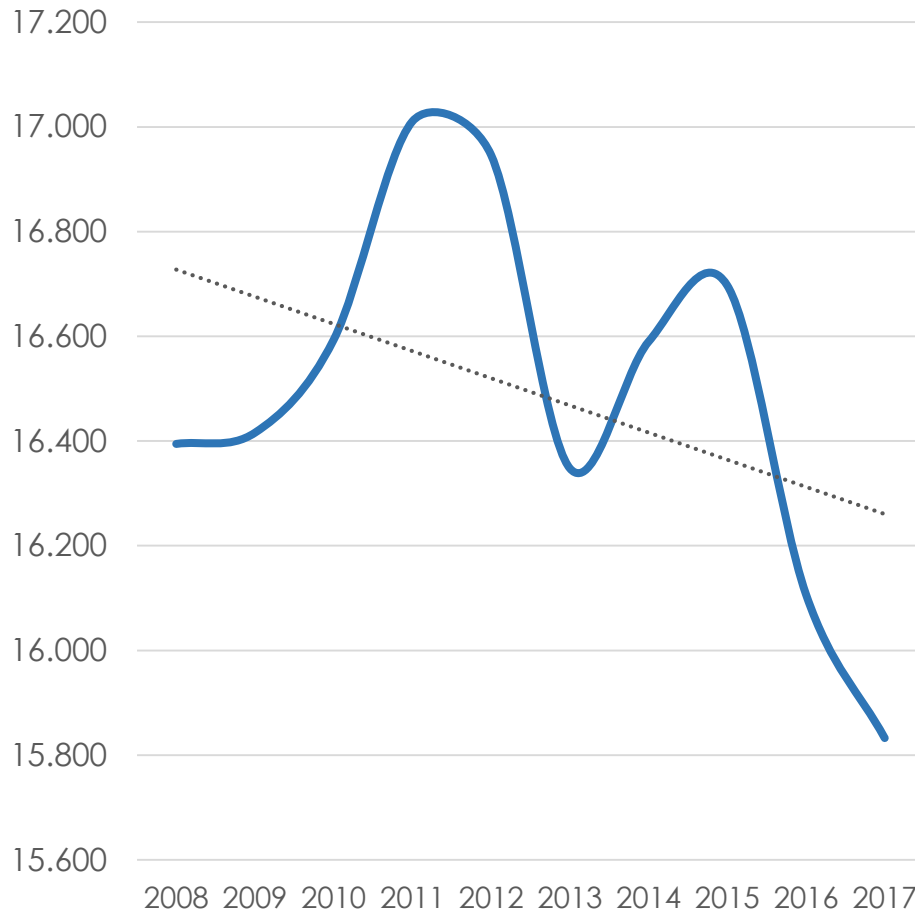




# DOMESTIC CONSUMPTION TREND



Thousands of tons milk equivalent



- In recent years, strong economic, cultural and socio-demographic changes lead to new food consumption models
- Over the last ten years the **total dairy consumption** has slightly decreased (**-3.4% between 2008 and 2017**)
- Over the last three years the reduction has been more relevant due to the decline of domestic consumption (**-5.2% between 2015 and 2017**)



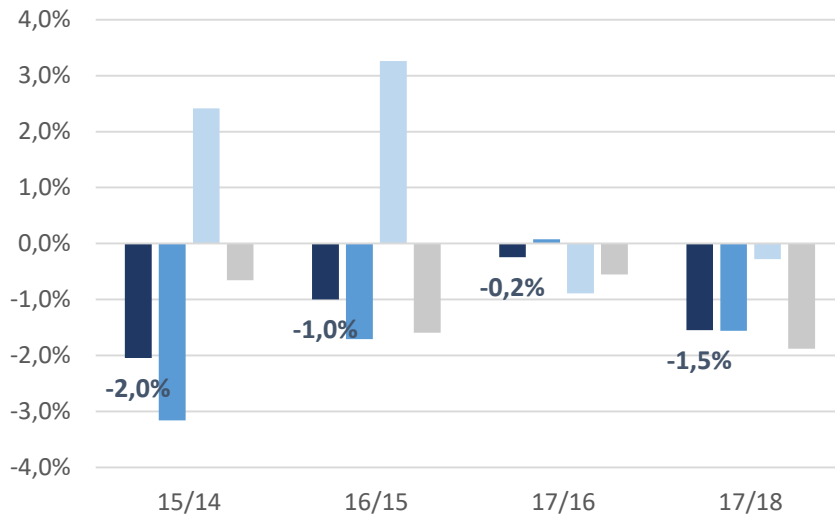
# DAIRY PRODUCTS DOMESTIC CONSUMPTION



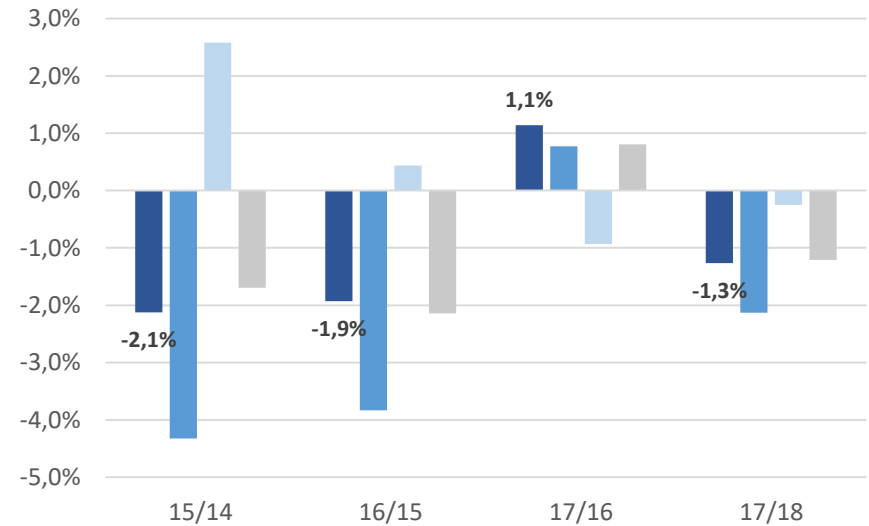
## MEDIUM TERM TREND

- In the last five years, Italian family total consumption of dairy products has progressively decreased (**-4% between 2014 and 2018**). 2017 is the only exception due to the sharp increase in butter prices.
- The domestic consumption decline continued in 2018 (-1.3% compared to 2017 in value), confirming the dairy sector as one of the most critical agro-food sectors
- The dairy supply chain is affected by:
  - the decrease in **drinking milk** consumption due to socio-demographic changes (reduction in the number of children per family unit and/or the short time for breakfast)
  - the reduction in **cheese** consumption, as a consequence of media attacks on animal product

### Quantity



### Value



■ Milk and dairy derivatives

■ Milk

■ Milk and dairy products

■ Milk

■ Yogurt

■ Cheese

■ Yogurt

■ Cheese and dairy product



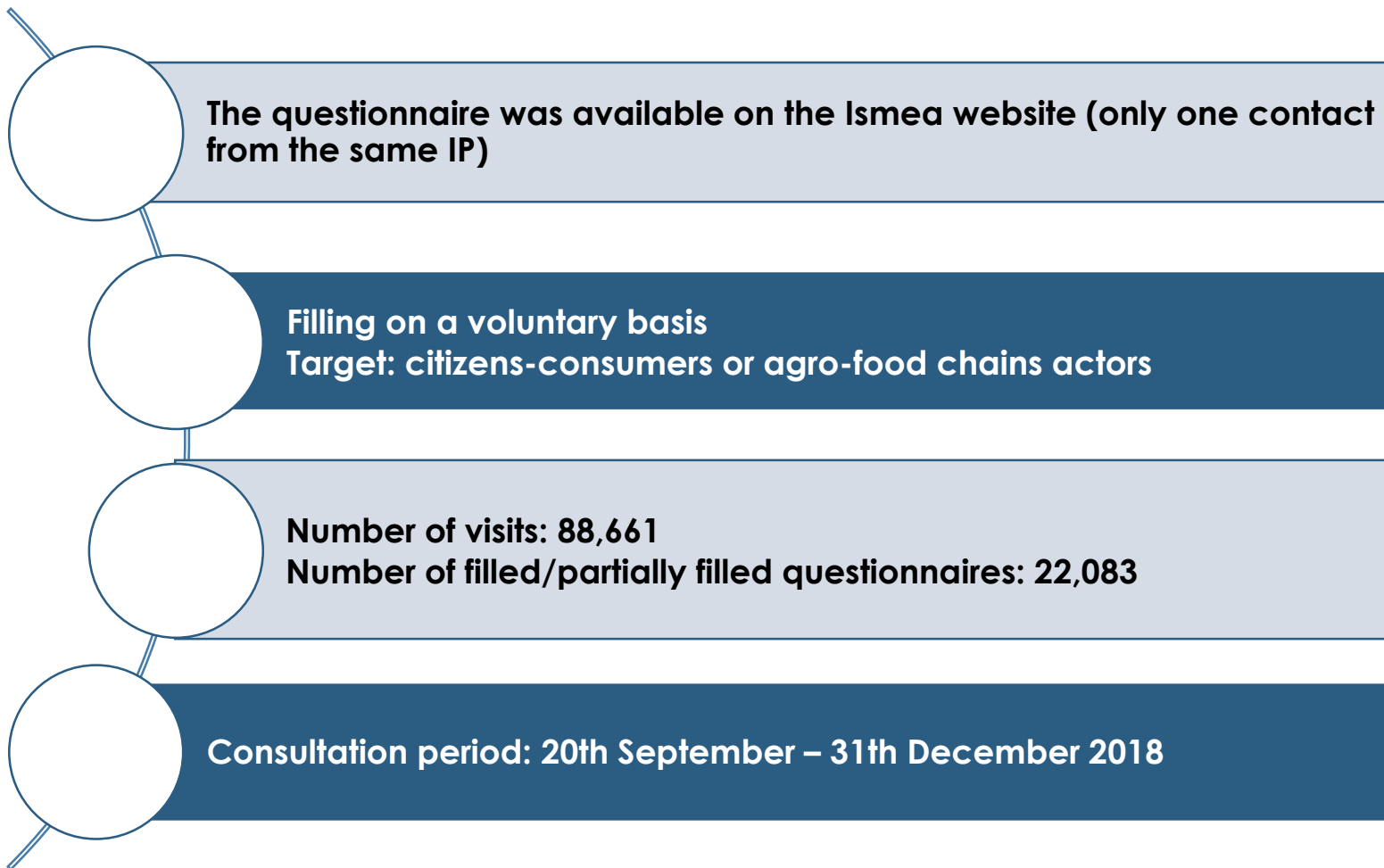
# PUBLIC CONSULTATION RESULTS



# PUBLIC CONSULTATION



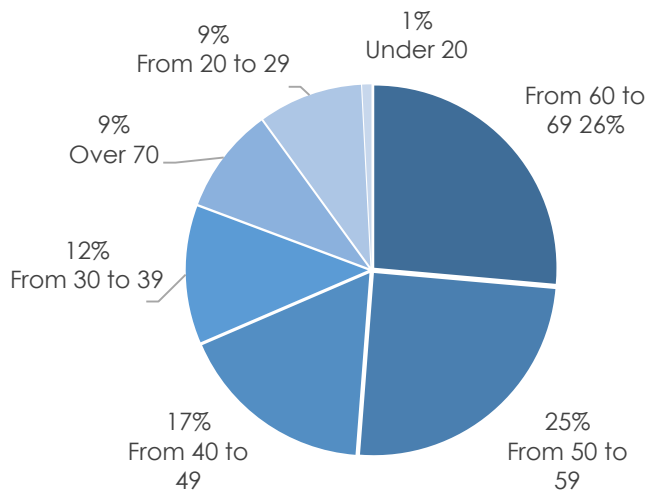
## METHODOLOGY



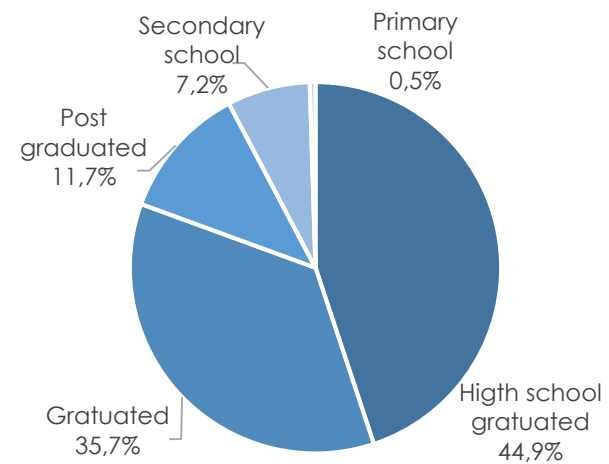
# THE CHARACTERISTICS OF RESPONDENTS



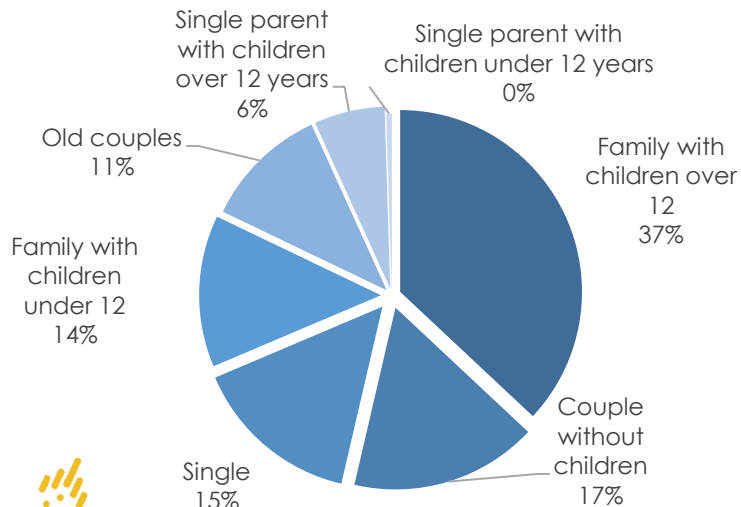
## Age range



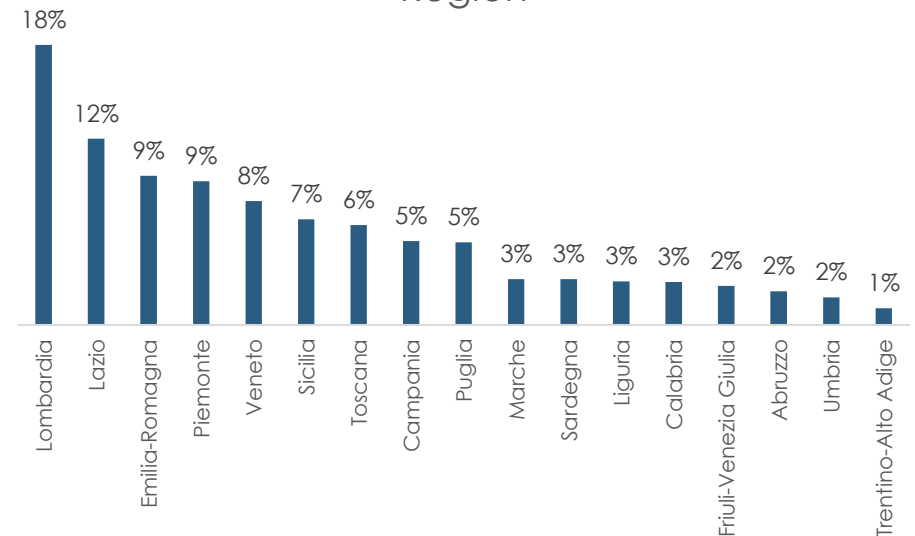
## Qualification



## Family tipe



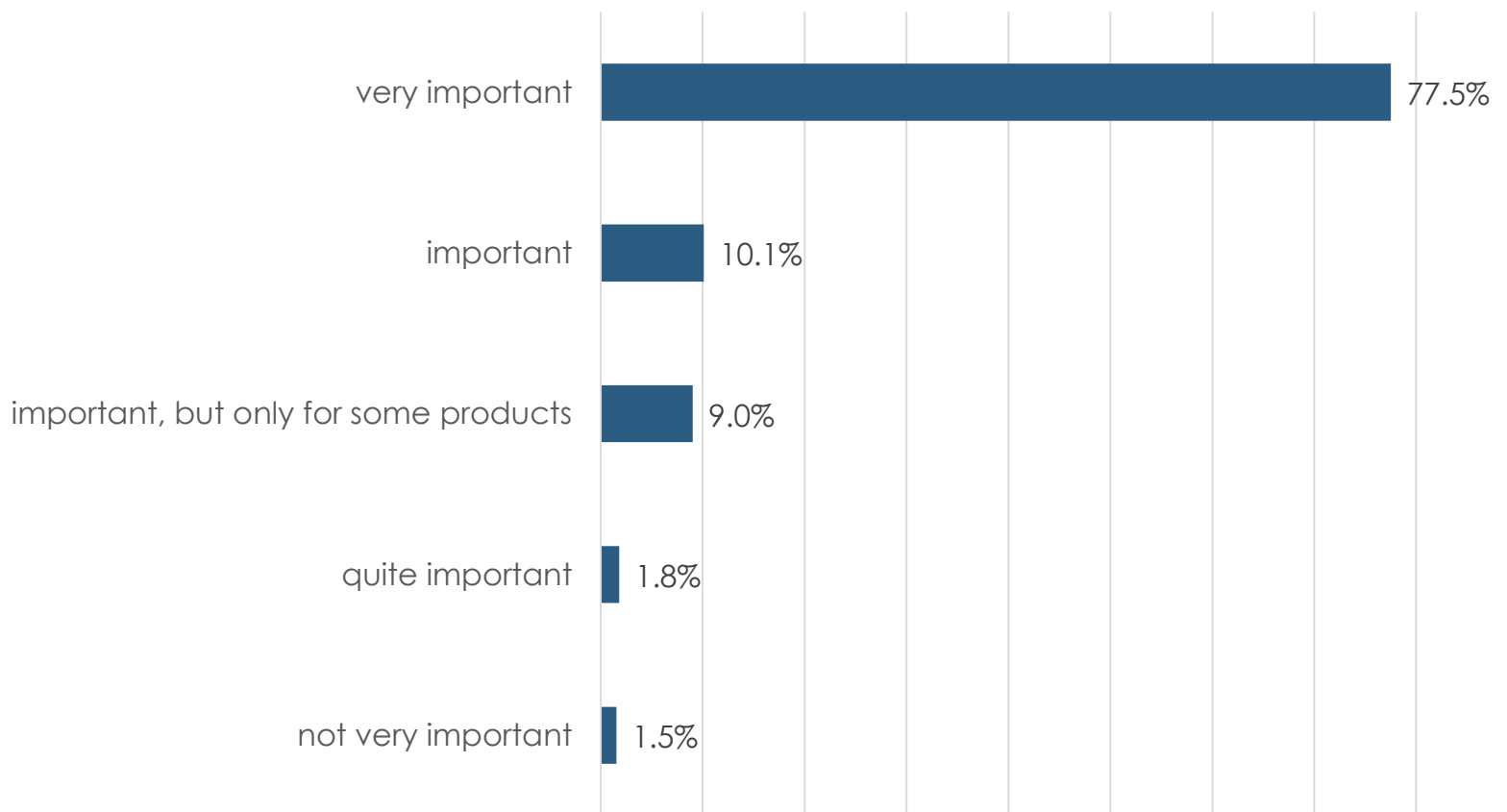
## Region



# RELEVANCE OF PRIMARY INGREDIENTS ORIGIN



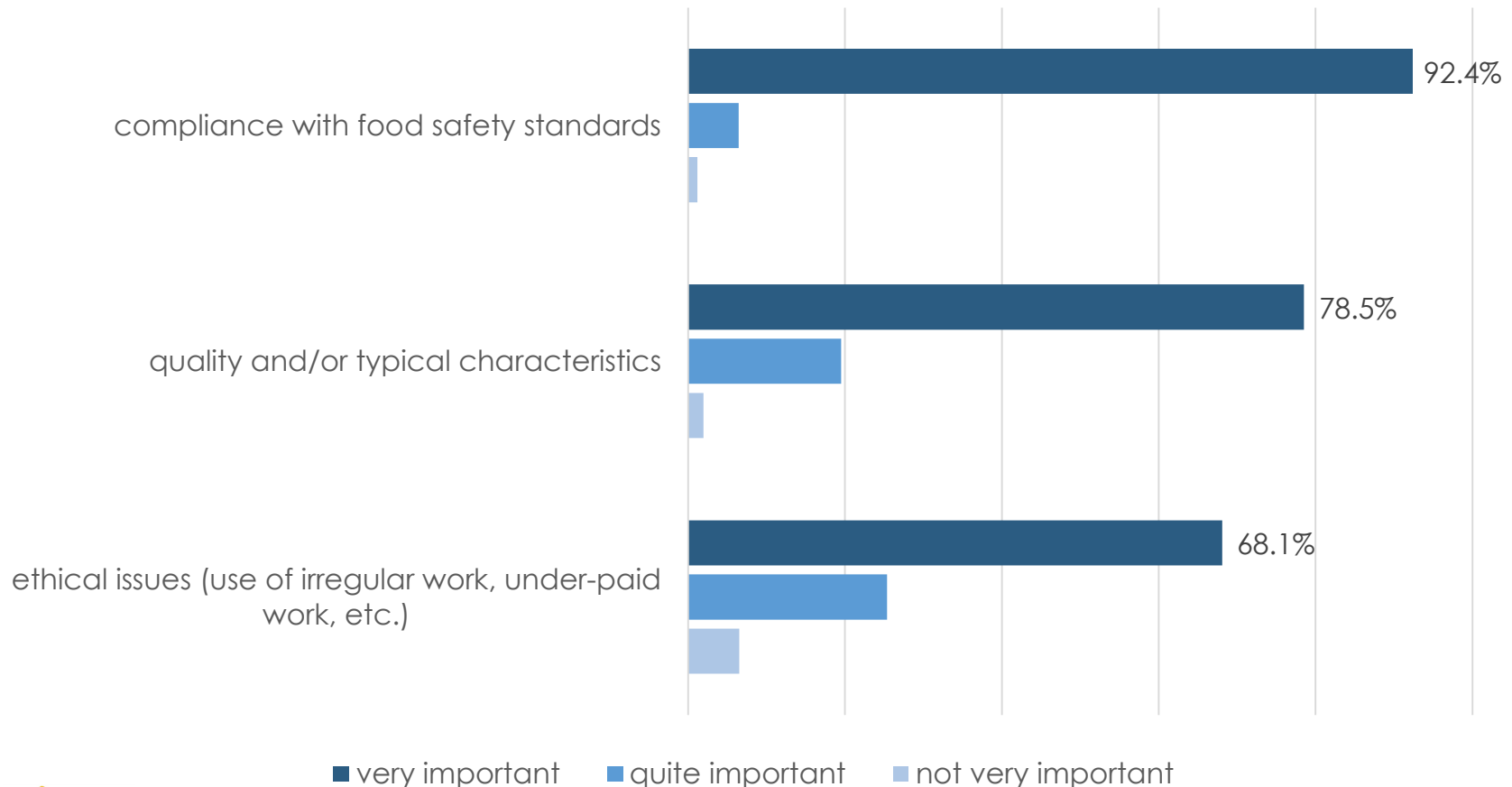
8 out of 10 of the respondents state that it is important to know the **origin of the food primary ingredients**



# INFORMATION ABOUT THE ORIGIN: WHY



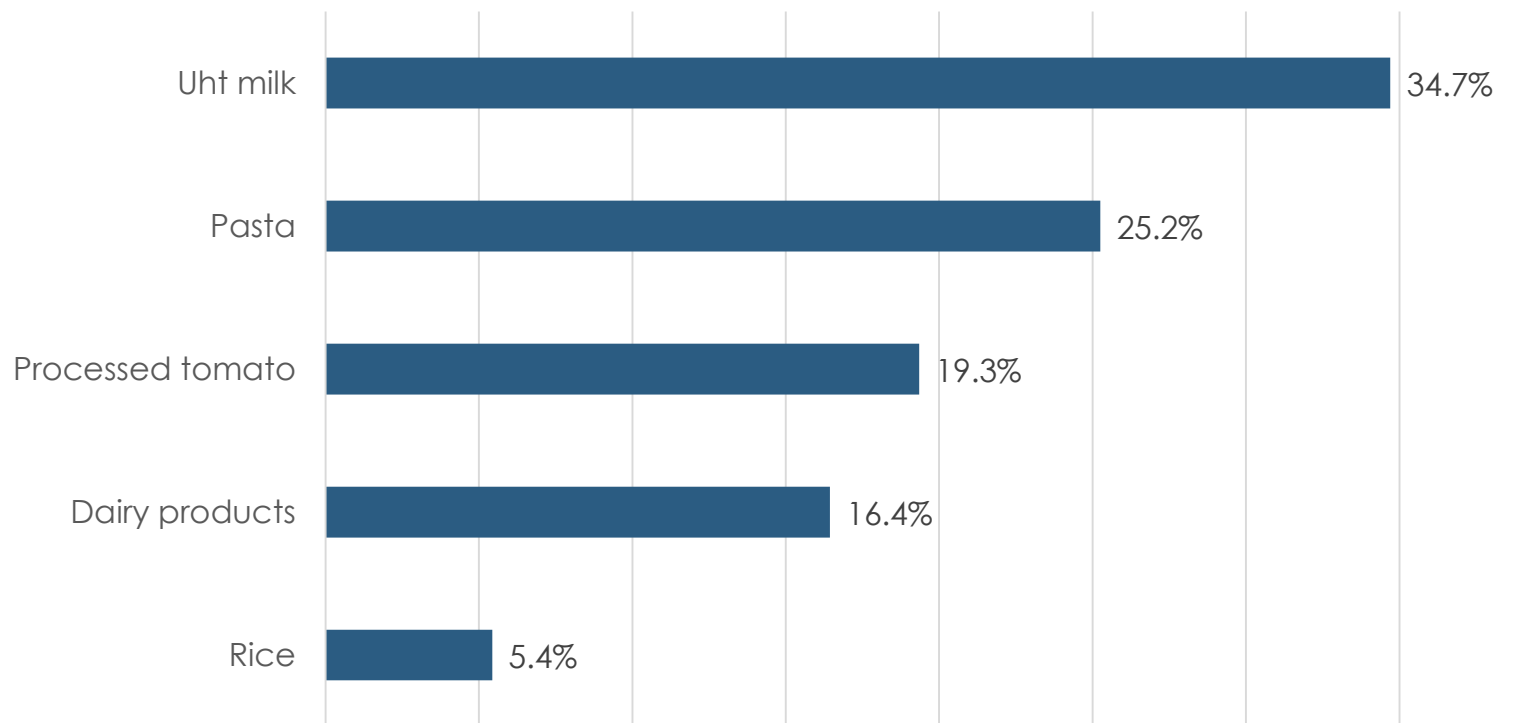
- Information about ingredients **origin** is strongly related to the consumer perception of compliance with **food safety standards**.
- Information of the ingredients origin is also relevant to define the **quality** level of food products



# KNOWLEDGE OF LABELLING LEGISLATION



- 2 out of 3 of the respondents have a good knowledge of the rules concerning the mandatory indication of origin for the primary ingredients
- Consumers are **fully aware** (9 out of 10) that «Made in Italy» on the label does not mean necessarily that the primary ingredients of the product are from Italy
- Among the food products with compulsory indication of origin labels, **UHT milk** is the most mentioned

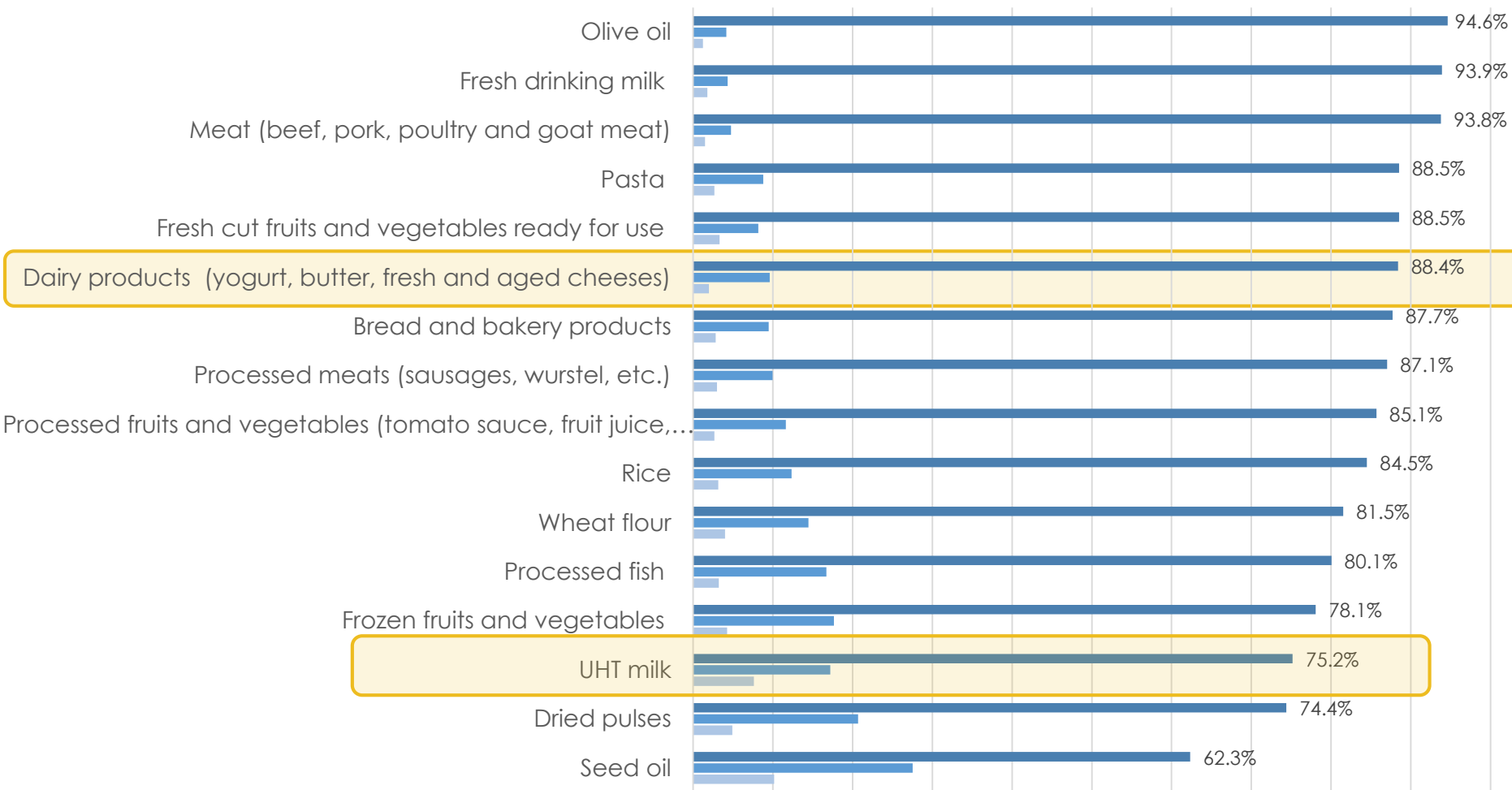




# INFORMATION ABOUT THE COUNTRY OF ORIGIN



## RELEVANCE OF THE INDICATION OF THE COUNTRY OF ORIGIN



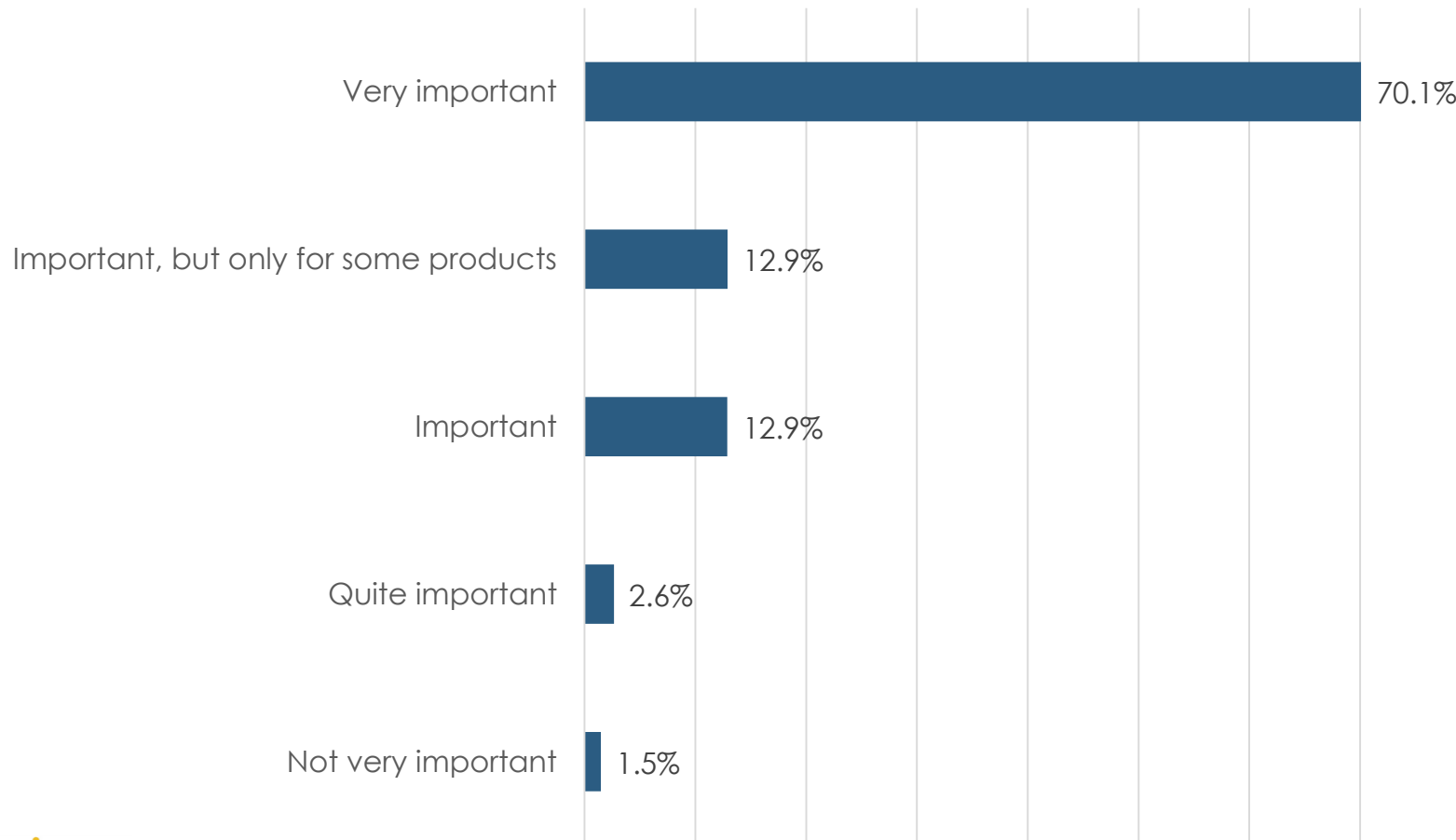
■ very important ■ quite important ■ not very important

Question: «For each of the following products, indicate how important it is for you that the label shows the country of origin of the primary ingredient»

# INFORMATION ABOUT PROCESSING COUNTRY



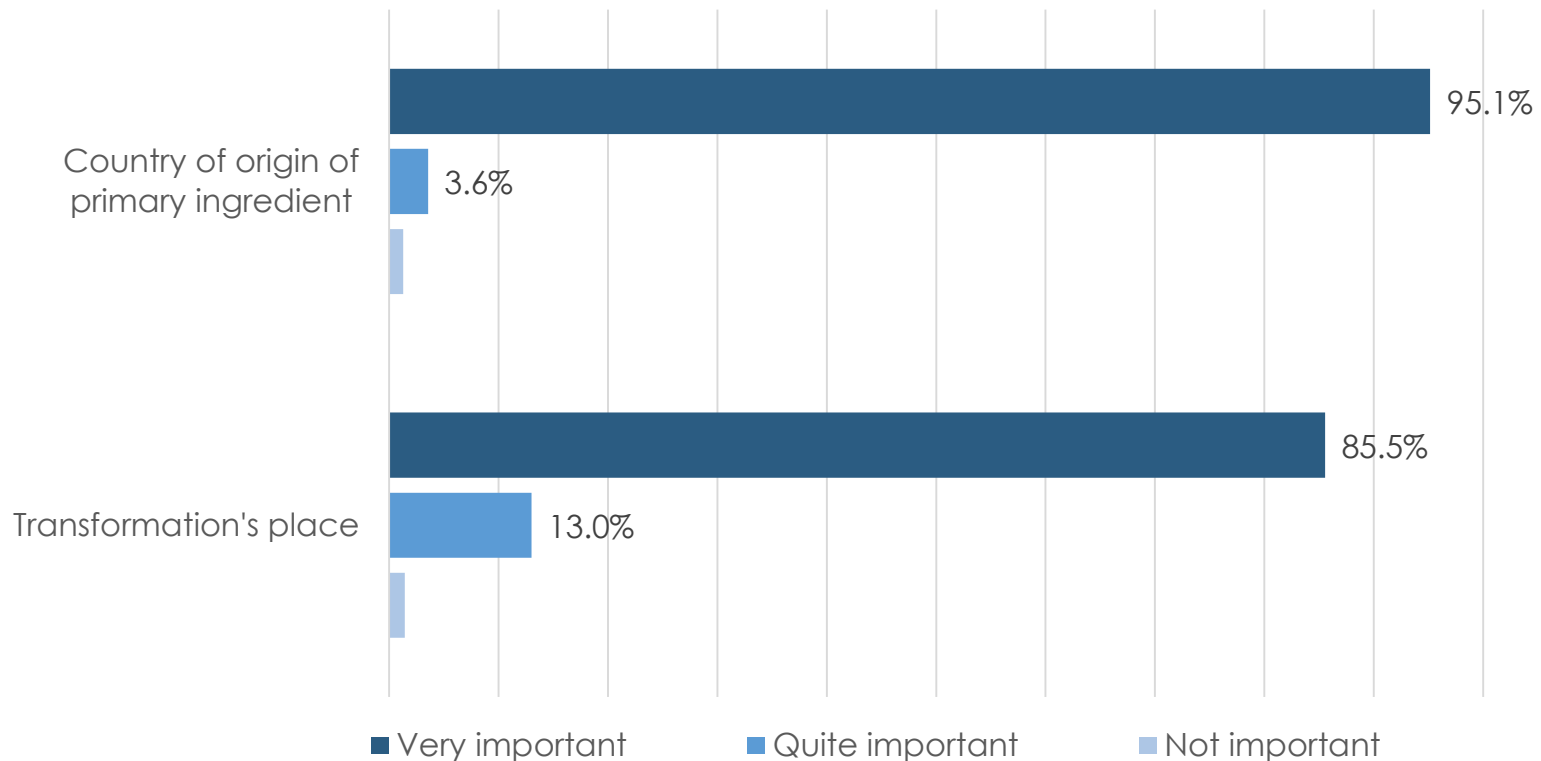
7 out of 10 of the respondents state that also the place where primary ingredients are processed is a **very important** indication to be informed about (i.e. industrial processing, packaging, etc.)



# LABEL CHARACTERISTICS



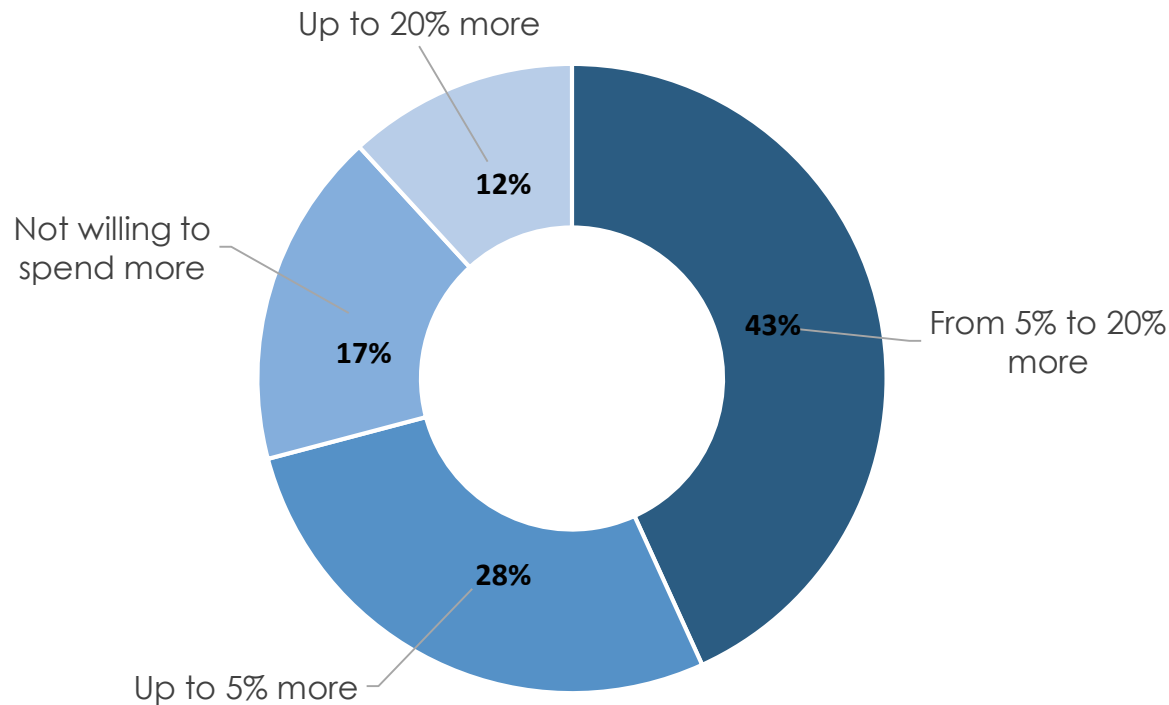
Almost every respondent believe that is very important to **make easy to read** on the label both the indication of origin of the primary ingredients and the information about the place where the product has been processed (i.e. industrial food processing, packaging, etc.)



# WILLINGNESS TO PAY



- In order to be sure of the origin of the product, **almost all** the respondents declare a **willingness to spend more**
- In particular, more than 50% of them say they are willing to spend over 5% more.

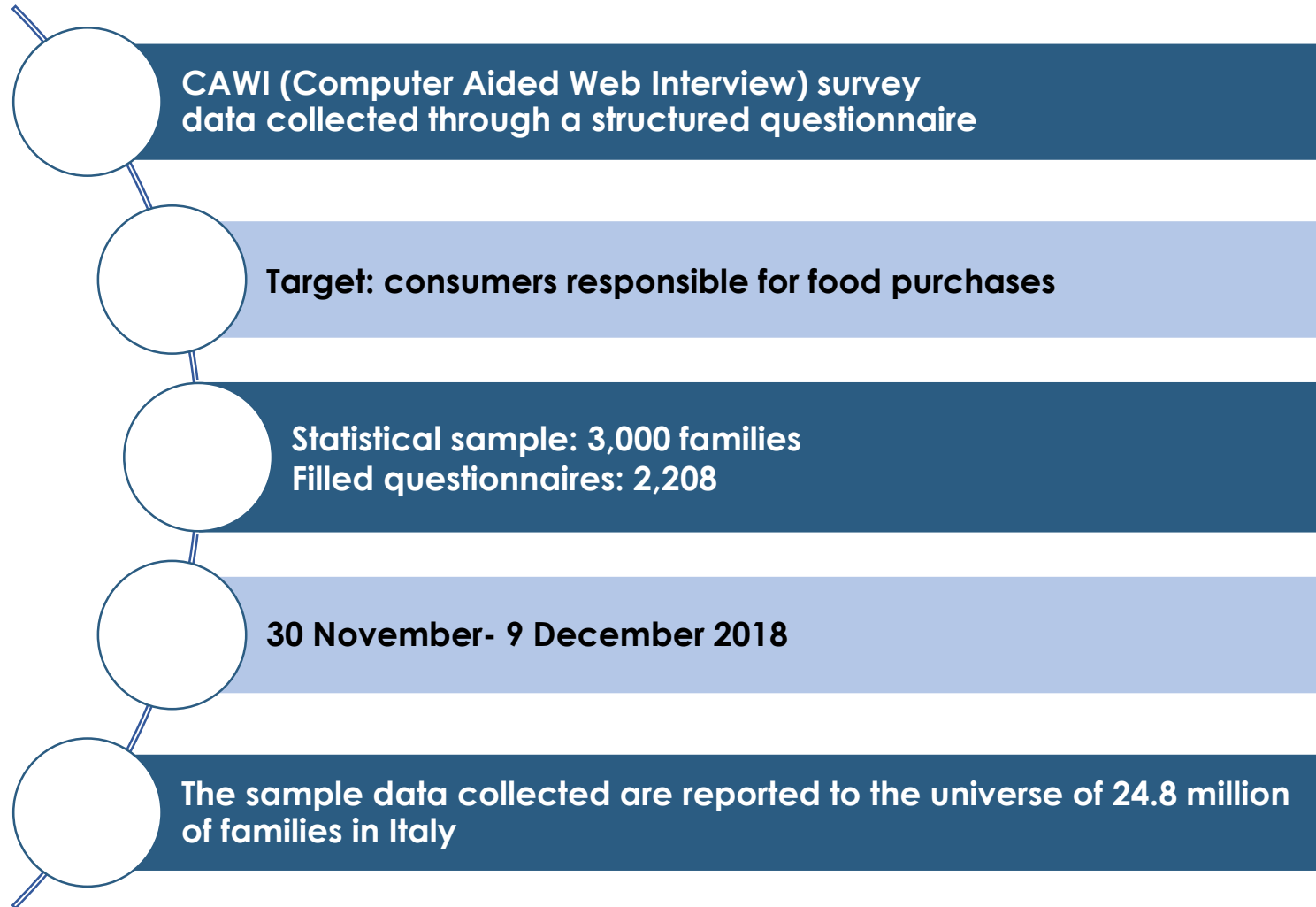




# SURVEY RESULTS



# SURVEY METHODOLOGY



# THE ORIGIN OF FOOD LABELLING



choosing a food product ...

**93%**  
of Italian families

For almost all the Italian families it is important to know the **origin of food ingredients**

**92%**  
of Italian families

For almost all the Italian families it is important to know **where** the food products are processed.

**98%**  
of Italian families

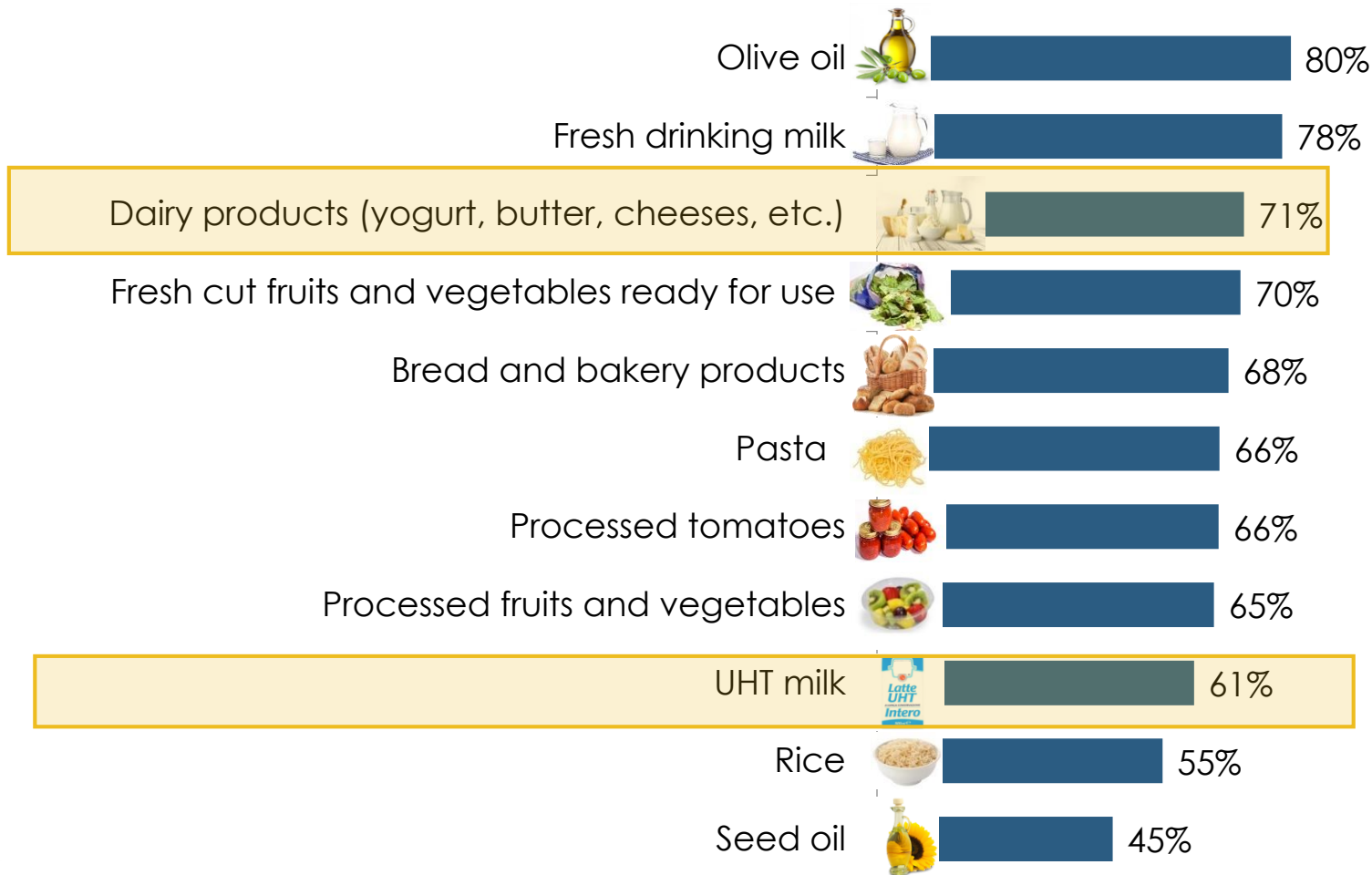
For almost all the Italian families it is important to have **a visible and easy to read** information of the origin of food ingredients on the label



# THE RELEVANCE OF ORIGIN OF FOOD INGREDIENTS



The indication of origin of primary ingredients is considered very important for dairy products, less important for UHT milk

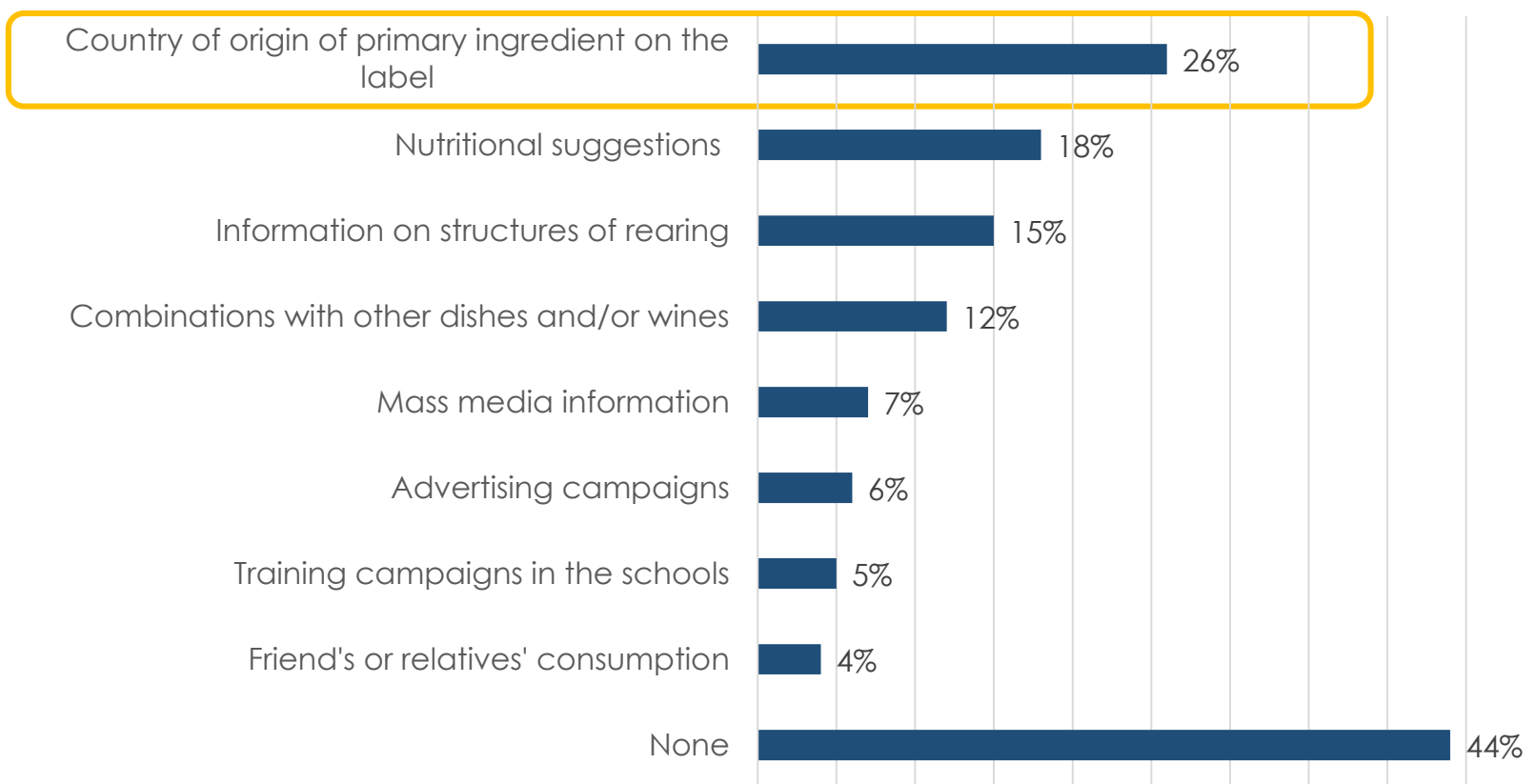




# THE INDICATION OF THE ORIGIN AS A DRIVER TO SUPPORT DOMESTIC CONSUMPTION



In a framework of dairy consumption decrease, **1 family out of 4 states that labelling the origin of the food could support consumption**





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# THANKS FOR YOUR ATTENTION

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